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Cornhusker Economics

Cooperative Extension

Institute of Agriculture & Natural Resources
Department of Agricultural Economics
University of Nebraska – Lincoln

Asset Based Community Development: A Model for Nebraska Communities?

Market Report	Yr Ago	4 Wks Ago	2/21/0 3
<u>Livestock and Products,</u>			
<u>Average Prices for Week Ending</u>			
Slaughter Steers, Ch. 204, 1100-1300 lb			
Omaha, cwt	\$71.04	\$77.69	\$78.08
Feeder Steers, Med. Frame, 600-650 lb			
Dodge City, KS, cwt	88.81	83.84	*
Feeder Steers, Med. Frame 600-650 lb,			
Nebraska Auction Wght. Avg	95.78	87.94	88.98
Carcass Price, Ch. 1-3, 550-700 lb			
Cent. US, Equiv. Index Value, cwt	110.59	118.92	118.21
Hogs, US 1-2, 220-230 lb			
Sioux Falls, SD, cwt	38.00	35.50	33.50
Feeder Pigs, US 1-2, 40-45 lb			
Sioux Falls, SD, hd	*	*	*
Vacuum Packed Pork Loins, Wholesale,			
13-19 lb, 1/4" Trim, Cent. US, cwt	106.00	92.51	95.73
Slaughter Lambs, Ch. & Pr., 115-125 lb			
Sioux Falls, SD, cwt	*	88.37	*
Carcass Lambs, Ch. & Pr., 1-4, 55-65 lb			
FOB Midwest, cwt	141.21	164.86	176.02
<u>Crops,</u>			
<u>Cash Truck Prices for Date Shown</u>			
Wheat, No. 1, H.W.			
Omaha, bu	3.03	3.66	3.78
Corn, No. 2, Yellow			
Omaha, bu	1.89	2.27	2.25
Soybeans, No. 1, Yellow			
Omaha, bu	4.23	5.58	5.62
Grain Sorghum, No. 2, Yellow			
Kansas City, cwt	3.54	4.48	4.23
Oats, No. 2, Heavy			
Minneapolis, MN, bu	2.48	2.24	2.30
<u>Hay,</u>			
<u>First Day of Week Pile Prices</u>			
Alfalfa, Sm. Square, RFV 150 or better			
Platte Valley, ton	105.00	150.00	150.00
Alfalfa, Lg. Round, Good			
Northeast Nebraska, ton	65.00	80.00	82.50
Prairie, Sm. Square, Good			
Northeast Nebraska, ton	100.00	115.00	115.00

* No market.

The issue of how and sometimes even if we should expend public dollars to support the development of small rural communities continues to receive attention at the federal and state levels, especially throughout the Great Plains. Traditional strategies focusing on industrial recruitment often has not paid off for rural areas in maintaining population, and many have questioned whether the public investment provides economic benefits at the local level.

Rural development practitioners struggle with the process of how and when to facilitate or intervene in the future of a community. In recent years, the traditional methods of evaluating what steps to take in rural development have been questioned. Asset based community development, ABCD, is an evolving approach to development. It is interesting to note that this methodology is taken from work in inner city areas where development has also been a key issue for local residents.

The concept of asset based development is a derivative of community capacity development literature and "provides a mechanism to gather information about the community that can be reorganized to generate new entrepreneurial endeavors, enhance social services and potentially protect natural resources." The pioneers of this concept are John P. Kretzman and John L. McKnight. In their book, *Building Communities from the Inside Out: A Path toward Finding and Mobilizing a Community's Assets* (1993) these authors identify two different paths for supporting communities. The first path, which is a traditional path for developers, focuses on community need. This strategy focuses on institutional change and involves changing the configuration of dollars recruited into the community and re-delegating control of the expenditure function of these resources. The local conversation is about the problems and concerns within the community, and the change agent in this model is power. Power in this instance is operationalized as the ability to garner state and federal grants to facilitate change. The community resident is viewed as a consumer or a client – someone who must be sold the state or federal policy changes on competing for grants and loans. Needs based problems



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such as unemployment, gangs, truancy, housing shortage, welfare, illiteracy and child abuse are some issues that generally emerge from this traditional path. Another outcome of this model is that rural community residents become socialized into the perception that they cannot “fix” their local problems but must rely on outsiders such as the state or federal government for any viable solutions. Another drawback of this methodology is its failure to motivate local residents toward action.

Traditional Path	
Based On:	Needs
Goal:	Institutional Change
Conversation:	Problems and Concerns
Change Agent:	Power
View of Individual:	Consumer, Client
Needs based on community problems: Unemployment, gangs, truancy, broken families, housing shortage, crime, child abuse, illiteracy, welfare, lead poisoning, dropouts, etc.	

Alternative Path	
Based On:	Assets
Goal:	Building Communities
Conversation:	Gifts and Dreams
Change Agent:	Relationship
View of Individual:	Producer, Owner
Assets based on community “treasures”: Youth, elderly, artists, churches, schools, businesses, parks, libraries, cultural groups, community colleges, clubs, hospitals, farms, ranches, etc.	

Another approach, “Vitalizing Communities: Building on Assets and Mobilizing for Collective Action, An Alternative Path,” focuses on the positive assets, i.e. the community’s individuals, associations, institutions, natural resource base and existing economy.

The model suggested by Kretzman and McKnight views the community as containing within its boundaries many of the assets necessary for creating a viable future. This path begins with a clear commitment to discovering a community’s capacities and assets. This alternative methodology focuses on formally identifying the local assets within a community or region. The goal is not institutional change, but the building of communities. The conversation at the local level does not focus on problems or concerns but on the gifts and dreams that local residents have. The change agents in this model are relationships between local residents and outsiders. In this method, the local resident is viewed as a producer or an owner. While the traditional method focuses on the problems of the community, this method draws on the assets of the community which include: natural

resources, youth, elderly, churches, businesses, libraries, cultural groups, clubs, farms and ranches as well as a long list of other locally located assets.

The process of mobilizing the community to take action also differs. In a traditional model where needs are the focus, surveys and town hall meetings are conducted to identify the problems that exist in the community. Community residents prioritize the problems and committees are formed to work on the problems. In reality, often times only a small group of citizens is usually involved in the final assessment of the priorities and an even smaller group is involved in the follow through and implementation of plans developed to focus on resolving the problems.

In the ABCD model of development, youth collect assets of as many citizens as possible. These individual assets may include current skills that are used in employment or skills developed through hobbies or previous life experiences. These are tabulated and shared in a fully disclosed form with the local community. Additionally, the assets of the voluntary associations such as 4-H clubs, Rotarians and others are inventoried and documented. Again, these are shared with the public. Institutional assets such as banks, churches, schools, etc., are inventoried as well as economic assets. Economic assets include businesses that hire and buy locally -- which provides information on the multiplier effect of specific types of businesses in the local economy. The last inventory is of natural resources that exist in the area. These can include wetlands, grasslands, irrigation, high quality soil, rivers and other natural resources.

After the completion of these inventories, citizens conduct a town hall meeting to examine their local assets and then self organize to reorganize assets to create their future. According to Luther Snow in *The Organization of Hope: A Workbook for Rural Asset-Based Community Development (2001)*, ABCD breaks the vicious downward circle many communities face as their perceived assets decline and problems become the focus. He goes on to say, “Communities contain a whole set of other assets and strengths such as voluntary associations and the relationships between people, local institutions, land and property, economic assets – including the ability of citizens to produce, not just to consume” (Snow, 2001, p 3).

The concept of ABCD has some far reaching implications for rural communities in Nebraska. Rather than training communities to be grant writers and focus externally for solutions, this method of development focuses on the inherent ability of citizens to create their future drawing upon locally identified assets. In fact in this method, grants are looked for only to fill gaps in local efforts when the current assets of a community or region are reorganized.

As rural Nebraska faces another difficult year it may be that by examining the existing assets and reorganizing those assets, some communities will come out of this era stronger and more viable than when they entered it.

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